ONDINANCE NO.	ORDINANCE NO.	
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An Ordinance to Amend Chapter 6C of the City Code, Entitled "Elections," so as to Amend Section 5 Entitled "Time and Manner of Reporting - Candidates," and to Amend Section 10 Entitled "Failure to File Report," and Further, to Add Section 12.1 Entitled" Loans to Candidates"

BE IT ORDAINED, by the Mayor and City Council of the City of Gaithersburg, in public meeting assembled, that Chapter 6C of the City Code entitled "Elections", is hereby amended to read as follows:

Chapter 6C Elections

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Article II. FINANCIAL CONTRIBUTIONS AND EXPENDITURES

Sec. 6C-5. – Time and manner of reporting - Candidates

- (a) The first report of a candidate in a general election shall be filed at the offices of the city board of supervisors of elections on or before the last day to file for elected office.
- (b) The second report of such a candidate shall be filed with the board twenty-nine (29) days before the election.
- (c) The third report of such a candidate shall be filed with the board fifteen (15) days before the election.
- (d) The fourth report of such a candidate shall be filed with the board eight (8) days before the election.
- (e) The next report of every candidate in a general election, whether elected or not, shall be filed on the last day of the month following the month in which the general election was conducted.

- (f) Thereafter, every candidate shall annually file by December 31st a report of any contributions received or expenditures made by the candidate or any other person on the candidate's behalf from the day of filing of the last prior report and any balance remaining in the account. No report shall be required after all receipts and disbursements have been entirely accounted for and no balance shall remain in the account.
- (g) The first report filed by any candidate shall include any balance remaining at the expiration of the last reporting period from any prior election and any contributions received and any expenditures made since the date of this last prior report, through the day immediately preceding the date of the filing of such first report. Each subsequent report by any candidate shall include all contributions received and expenditures made from the day of the filing of the last prior report through the day preceding the filing of the subsequent report.
- (h) The Board of Supervisors of Elections may extend the filing deadline of any report required by this section due to exigent circumstances.
- (i) Every such report shall be available for inspection by any person at the city offices during regular business hours.
- (j) If the last day of the month on which any report is due shall fall on a Saturday, Sunday or a legal holiday, then such report shall be required to be filed on the next following day when city offices are open for regular business.
- (k) Any candidate who shall fail to timely file a report required by this section shall be subject to a fine of One Hundred Dollars (\$100.00).

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Sec. 6C-10. – Failure to file report.

Any candidate who shall fail to file the first report required by this article on or before the last day to file for elected office or who shall fail to file any report required by this article within two business days of its due date shall not be eligible for election and his or her name shall not appear on the ballot for such election.

Any candidate elected to the office to which he or she seeks, who shall fail to file any report required by this article to be filed before a general election or fails to pay any fine imposed under this chapter shall not be administered the oath of office and permitted to serve until such report has been filed and the fine has been satisfied.

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Sec. 6C-12.1 – Loans to Candidates.

- a. A loan to a candidate is considered a contribution in the amount of the outstanding principal balance of the loan unless:
 - 1. The loan is from a financial institution or other entity in the business of making loans; or
 - 2. The loan is to a candidate and:
 - i) Repayment of the loan is personally guaranteed by the candidate; and
 - ii) Repayment of the loan is required within one (1) years from the date of the loan.
- b. A loan by a candidate or the candidate's spouse to a candidate is exempt from the requirements of paragraph a. of this subsection.
- c. The total amount of all loans to a candidate for one election cycle shall not exceed Ten Thousand Dollars (\$10,000.00).

ADOPTED this 20th day of December, 2010 by the City Council of Gaithersburg, Maryland.

SIDNEY A. KATZ, MAYOR and President of the Council

DELIVERED to the Mayor of the City of Gaithersburg, Maryland, this 20th day of December, 2010. APPROVED by the Mayor of the City of Gaithersburg, this 20th day of December, 2010.

SIDNEY A. KATZ, MAYOR

THIS IS TO CERTIFY that the foregoing Ordinance was adopted by the City Council of Gaithersburg, in public meeting assembled, on the 20th day of December, 2010 and that the same was approved by the Mayor of the city of Gaithersburg on the 20th day of December, 2010. This Ordinance will become effective on the 10th day of January, 2011.

Angel L. Jones, City Manager

Boldface Heading or defined term.

<u>Underlining</u>
[Single boldface brackets]

Added to existing law by original bill.

Deleted from existing law by original bill.

Double underlining Added by Amendment.

[[Double boldface brackets]] Deleted from existing law or the bill by

amendment.

* * Existing law unaffected by bill.